



## Local Rule 7067-1 Registry Fund (2014)

**(a) Court Orders Relating to Deposits.** A party making a deposit under [Fed. R. Bankr. P. 7067](#) [1] in an adversary proceeding or a deposit in a case, may apply to the court for an order to invest the funds in accordance with this rule.

**(b) Registry Funds Invested in Interest-Bearing Accounts.** Upon motion and in accordance with [Fed. R. Bankr. P. 7067](#) [1] or other authority, the court may order the clerk to invest certain registry funds in an interest-bearing account or instrument. When guaranteed government securities are purchased, regardless of the amount invested, the funds require no posting of collateral. All other investments must be collateralized in accordance with the Department of Treasury's regulations. The order must also specify the following:

- (1) the amount to be invested;
- (2) the length of time the funds should be invested and, where applicable, whether they should be reinvested in the same account or instrument upon maturity;
- (3) the name(s) and address(es) and social security number(s) or tax identification number(s) of the designated beneficiary(ies); and
- (4) other information that is appropriate under the circumstances.

**(c) Service Upon the Clerk.** A copy of the order must be served personally upon the clerk or chief deputy clerk, with an additional copy provided to the court's financial department.

**(d) Deposit of Funds.** The clerk must take all reasonable steps to deposit funds into the specified accounts or instruments within, but not more than, 14 business days after service of a copy of the order.

**(e) Disbursements of Registry Funds.** A party seeking a disbursement of funds must prepare an order for the court's review and signature and must serve the signed order upon the clerk or chief deputy clerk. If applicable, the order should indicate whether, when released by the court, the instruments of investment should be redeemed subject to possible early withdrawal penalties or held until the maturity date. The clerk or chief deputy clerk must prepare the withdrawal documents under the order.

**(f) Management and Handling Fees.** Unless otherwise negotiated by the parties, funds invested under subsection (b) of this rule will be subject to routine management fees imposed by the financial institution and deducted at the time the accounts are closed or the instruments redeemed. In addition, under the miscellaneous fee schedule approved by the Judicial Conference of the United States as set forth in [§ 1930 of title 28 of the United States Code](#) [2], the clerk must assess a "Registry Fund Fee." The fee is to be determined and promulgated by the Director of the Administrative Office of the United States as authorized by the Judicial Conference of the United States.

**(g) Verification of Investment.** A party that obtains an order directing the investment of funds by the clerk should verify that the funds have been invested as ordered.

**(h) Liability of the Clerk.** Failure of a party to personally serve the clerk or chief deputy clerk with a copy of the order, or failure to verify investment of the funds within 7 days after the expiration of the time period set forth in subsection (d) of this rule, will release the clerk from any liability for the loss of earned interest on such funds.



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**(i) Cash Bonds.** If a person other than a party posts a cash bond with the clerk, the party for whom the bond is posted must execute and file an agreement with such person setting forth the intended disposition of the cash deposit by the clerk upon release of the cash bond. No deposit of funds will be allowed unless an order allowing or requiring it has been entered.

**Source URL:** <https://www.utb.uscourts.gov/local-rules/2014/7067/1?page=1>

### Links

[1] [https://www.law.cornell.edu/rules/frbp/rule\\_7067](https://www.law.cornell.edu/rules/frbp/rule_7067)

[2] <https://www.law.cornell.edu/uscode/text/28/1930>